

Operations reinvention for a manufacturer of outdoor power equipment

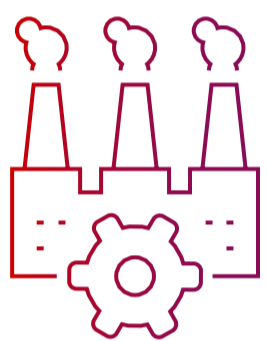
EquipmentCo is a global manufacturer of outdoor power equipment. Despite being a market share leader, its **operating margins were in the low single digits and had long lagged the industry.**

We helped EquipmentCo launch a transformation that enabled critical investment in growth opportunities. **The company reduced conversion costs by 20% and materials spending by 7%.**



We used **our rapid, end-to-end diagnostic toolkit** to identify pain points and guide the detailed operations redesign. Combining robust analytics and input from EquipmentCo executives, we uncovered deep insights about EquipmentCo's operations and translated those into a plan of action.

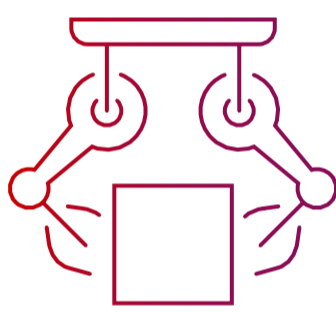
We helped EquipmentCo launch a series of initiatives to improve performance. These included:



Determining the ideal **mix of in-house and outsourced production** for each manufacturing process



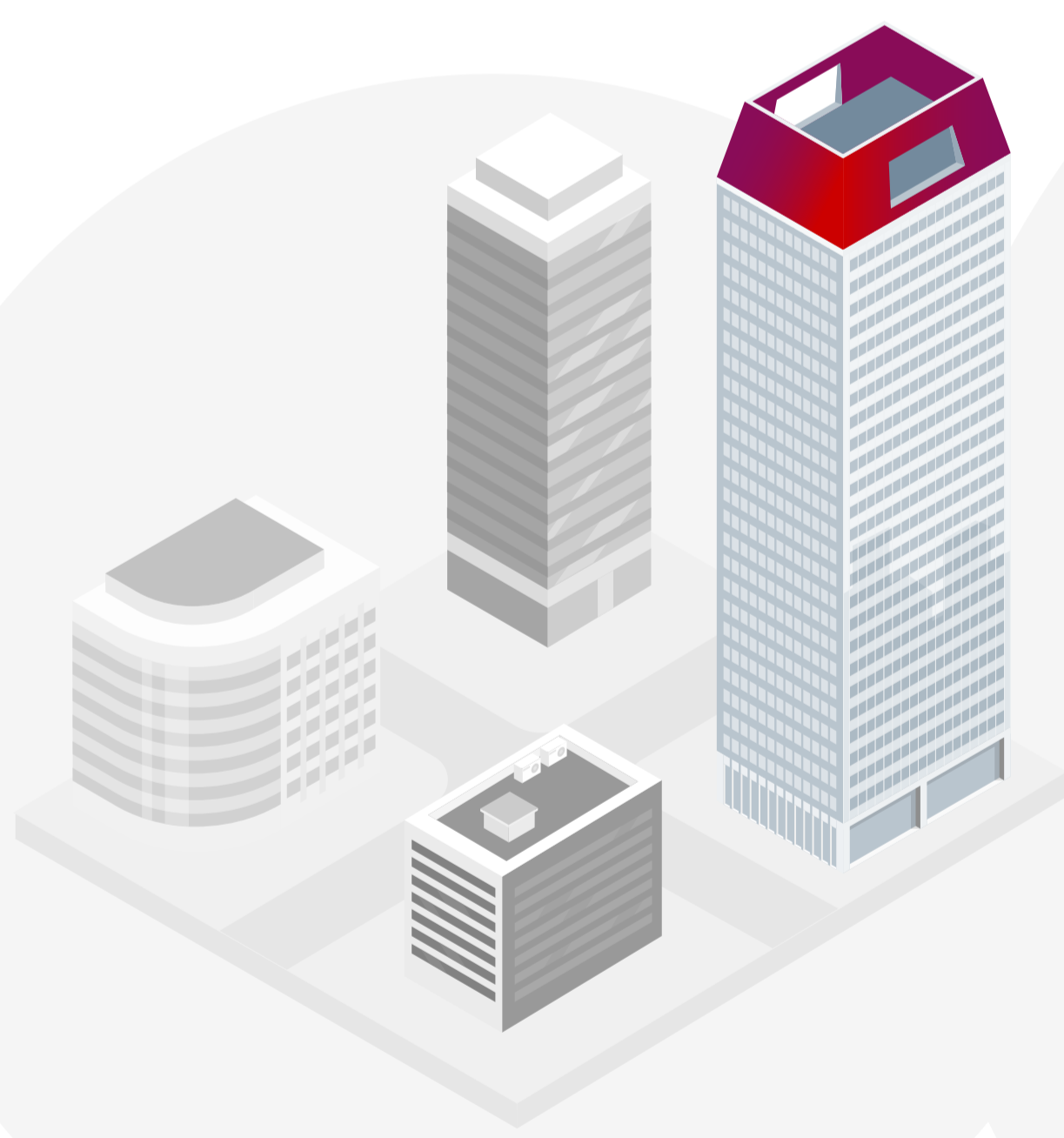
Optimizing its **plant footprint**, and streamlining **ways of working on the factory floor** for cost savings



Developing an **integrated business planning process** that enables balanced seasonal production, reduces lead times, and improves customer outcomes



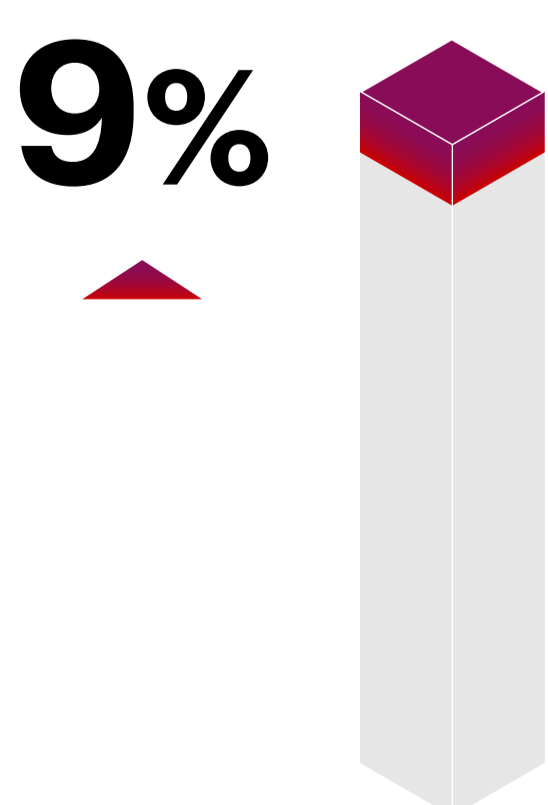
Designing a new **strategic sourcing plan** that could identify opportunities to reduce complexity, costs, and supply disruptions



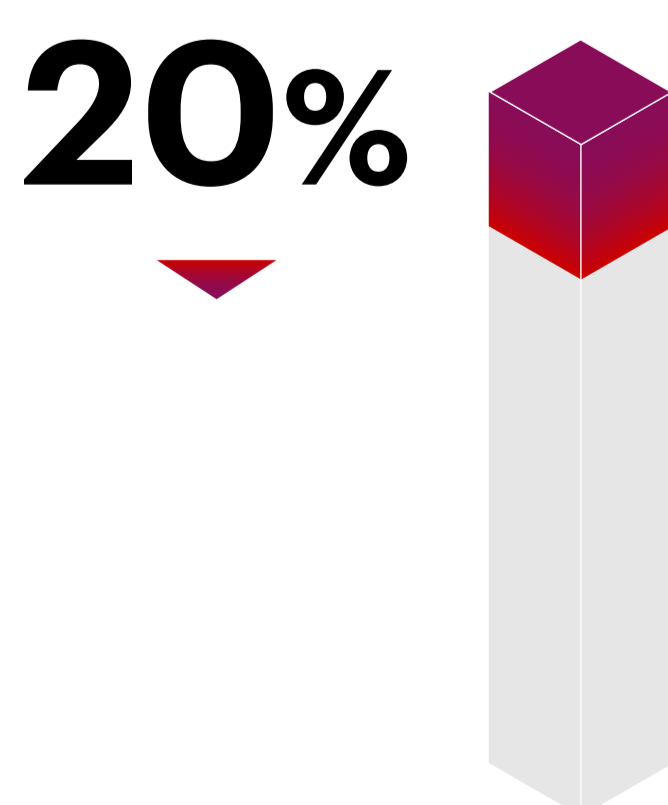
To guide these initiatives, we helped EquipmentCo install a **centrally organized transformation office** to implement the changes required.

This office tackled a wide variety of complex issues for EquipmentCo, including building resiliency. Facing critical supply shortages, we developed a plan to rapidly vet and onboard new suppliers, avoiding production shutdowns.

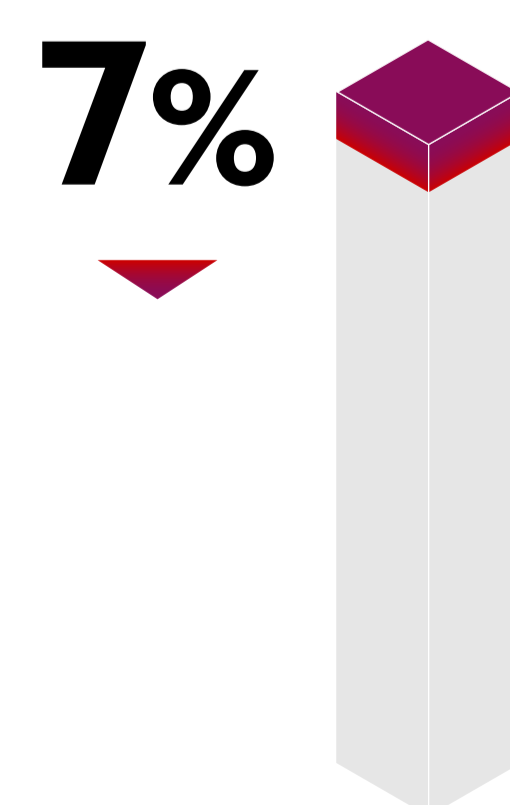
EquipmentCo's resulting transformation led to:



increase in operating margins over three years, growing 3 percentage points in the first year alone



reduction in conversion costs



reduction in direct materials spending